

#### ABSTRACT OF THE DISCLOSURE

An apparatus and method are provided for determining an optimum promotion plan for merchandising of products for sale. The apparatus includes a scenario/results processor that enables a user to prescribe an optimization scenario, and that presents the optimum promotion plan to the user, where the optimum promotion plan is determined by execution of the optimization scenario, and where the optimum promotion plan is determined based upon estimated product demand and calculated activity based costs. The scenario/results processor has an input/output processor and a scenario controller. The input/output processor acquires data corresponding to the optimization scenario from the user, and distributes optimization results to the user. The scenario controller is coupled to the input/output processor. The scenario controller controls the acquisition of the data and the distribution of the optimization results in accordance with a promotion plan optimization procedure.